



## What can vendors learn from The Queen's Gambit?

A gambit (from ancient Italian gambetto, meaning "to trip") is a chess opening strategy in which a player sacrifices a chess piece, usually a pawn, with the hope of achieving a resulting advantageous position.

Vendors need to realize that the sales process needs to be a strategy in progress. It is never a moment in time. The goal should always be to establish an advantageous position for future business.

"The Queen's Gambit is probably the most popular gambit. Although most gambits are said to be unsound against perfect play, The Queen's Gambit is said to be the exception."<sup>1</sup>

And, "perfect play" by a competitor in the business world is nearly impossible given the untold number of personalities, distractions, technology growth, and managed KPI's.

The objective of The Queen's Gambit is to sacrifice a pawn to gain control of the center of the board. This is a chess KPI and in this portion of the strategy lies the business dilemma. To sacrifice anything for any reason is considered a loss. And any loss is not acceptable. Or is it?

The Queen's Gambit as a business strategy could be described as a modified loss leader strategy because it involves giving away a product or service at a greatly reduced price (or at no cost). There is no profit, but the sacrifice is meant to put pressure on your competition and to gain an advantageous position with the client. The loss leader introduces customers to a service or product in the hopes of building a customer base and securing future recurring revenue.

In executing The Queen's Gambit, one player is able to gain a center presence, good attacking chances and the threat to advance. This is one of the most popular openings in chess because of its attacking

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<sup>1</sup> The Chess Website

prowess. The player executing the gambit will be attacking and it will be up to the other player to defend correctly. If you enjoy putting constant pressure on your opponent, then The Queen's Gambit is a perfect opening for you.

In a lost leader business strategy, the seller gains a substantial presence, opens the customer to new possibilities, and dominates the account so that competitors, at the very least, have a difficult time selling against your products and services; putting constant pressure on the competition. But the strategy offers a two-choice dilemma; Should the lost leader offered be a stand-alone offer, or should it be a part of a quotation/proposal? If it is a part of a proposal the customer will view it as a discount therefore cancelling out the strategy and opening the sales process to competing discounts. Your strategy is then defended by the competition; whereas a stand-alone offer opens several doors and is much more difficult to defend:

- It opens the customer to additional dialog to which the competition is not privy
- It has a warming effect on the customer, meaning he/she feels that you are genuinely interested in their business and not just in winning a specific piece of business
- It puts enormous pressure on the competition to come up with something to match what you are doing
- Whatever the competition counters with will be seen as a copy-cat desperate move and will diminish their relationship with the customer.

The question is, what should you offer as a lost leader?

Chances are the customer already knows what you have to sell, and you will devalue your products and services if you are willing to give them away. So, you need to find something outside your product line that offers the customer additional value while staying "in your lane" in terms of product or service continuity. What you need is something that will help your customer accomplish their objectives and associate the offering with you and your company. Offering free consulting is considered a form of discounting and once it is offered your service offering will be compromised.

As with The Queen's Gambit, there are several closing options, only one of which offers the desired result.

The Business Gambit has two objectives that will always interest the customer if the customer is willing to play. They both show interest in the customer's well-being, point the customer toward business process improvement and open doors for you. They are: (1) help the customer find their process current reality and (2) turn that current reality search into a Root Cause Analysis for issues that arise. Both objectives can be accomplished with one move!

What is that move?

Find a way to help the customer assess their organization.

A typical web-based assessment for the current reality of a company/division/facility/department should cost you about \$5000. But assessing a company is a big undertaking and using consultants it

would cost you, relatively speaking, between \$5000 to \$100,000 depending on the size of the company and the number of locations they have. This is a big give-away. Or is it?

A typical B2B sales call costs about \$1500.00.

Therefore, you should be able to offer the client a web-based assessment for the cost (to you) of about three sales calls. Playing by The Queen's Gambit rules you are sacrificing three minor pieces (the cost of three sales calls) for the continuous future advantageous position in most, if not all, future business opportunities with this client.

But there's more...While the client could interpret the analytics from the assessment, they will more often pay you to consult (since you are familiar with their assessment factors) and help them establish their current reality. You will then add to recouping your investment and, at the same time, be in line to help design mitigation strategies for identified issues that stem from the analysis; putting you in an advantageous position for projects that arise from the assessment which could include your products and services. You will have gained back the cost of the three sales calls...plus.

Your client gains substantial business intelligence about his/her organization which he/she would never have had.

And, the coup de gras is, since you have been involved throughout the entire process and have access to the results, you will have identified your client's strengths and weaknesses; the key to developing an inside track for all their future relevant business.

Checkmate!

#### **About the Author:**

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